

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. NO.: 3092-01  
BILL NO.: HB 1257  
SUBJECT: Education, Elementary and Secondary: Transfers  
TYPE: Original  
DATE: February 28, 2000

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 3 pages.

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **State Tax Commission** assume the proposal would result in no fiscal impact to the agency.

Officials from the **Department of Elementary and Secondary Education (DESE)** assume the proposal would result in no additional cost to the state aid formula. However, since the district is generating state aid on its tax rate, and the district is allowed to transfer more state money to the Capital Projects Fund, the state is contributing more to capital improvements for this district than others. Other districts needing money in the Capital Projects Fund have to vote a new tax rate or move the tax rate out of the Incidental Fund to the Capital Projects Fund. Districts generally do not generate state aid on the levy in the Capital Projects Fund.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

### DESCRIPTION

The proposal would add additional criteria for allowing school district transfers from the Incidental Fund to the Capital Projects Fund.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

### SOURCES OF INFORMATION

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Department of Elementary and Secondary Education  
State Tax Commission

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is stylized with a large, looped initial "J" and a cursive script for the rest of the name.

Jeanne Jarrett, CPA  
Director  
February 28, 2000